



24 February 2011

Dear Shareholder

Non-Renounceable Entitlements Issue

On 22 February 2011, the Company announced the details of a non-renounceable entitlements issue of approximately 21,789,237 Shares at 8 cents per Share, on the basis of 1 Share for every 2 Shares held on the record date to raise up to approximately \$1,743,139 (**Offer**) and the issue of approximately 21,789,237 Options (exercisable at 15 cents each on or before 31 December 2011) for no consideration on the basis of 1 free attaching Option for every 1 Share subscribed.

The prospectus relating to the Offer (**Prospectus**) has been lodged with ASX and the Australian Securities and Investments Commission (**ASIC**) and is available on the ASX website, asx.com.au.

The timetable and important dates of the Offer are set out below:

Lodgement of Prospectus and Appendix 3B	22 February 2011
"Ex" Date	25 February 2011
Record Date	3 March 2011
Opening Date and Dispatch of Prospectus	9 March 2011
Closing Date	24 March 2011
Advise ASX of under-subscription	29 March 2011
Deferred settlement trading ends and dispatch date	1 April 2011

Note: The Directors may extend the Closing Date by giving at least 6 Business Days notice to ASX prior to the Closing Date. As such, the date the Shares are expected to commence trading on ASX may vary with any change in the Closing Date.

The purpose of the Offer is to raise approximately \$1,743,139 which will be applied firstly to meet the expenses of the Offer (\$137,154) and the remainder will be used to contribute to the exploration programme at the Company's Dinguiraye Platinum-Nickel-Copper project in Guinea and the Philippine Gold Projects that are subject to shareholder approval (please see Company ASX announcement 8 February 2011).

The entitlement offer is fully underwritten by Cunningham Peterson Sharbanee Securities Pty Ltd, holder of Australian Financial Services Licence number 294848 for a fee of 6% of the total proceeds of the entitlement issue. Cunningham Peterson Sharbanee Securities Pty Ltd is an entity associated with Mr Tony Cunningham, who is a director of the Company.

The entitlement offer is open for participation only by shareholders with a registered address in Australia or New Zealand. Shareholders in other countries will be provided with a copy of the prospectus for information purposes only.

A copy of the Prospectus together with a personalised Entitlement and Application Form will be mailed to all shareholders eligible to participate in the Offer.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Paul Jurman', with a stylized flourish at the end.

Paul Jurman
Director / Company Secretary
Lindian Resources Limited